

August 26, 2011

To: Executive Board

Subject: **Contract Award – Electric Cooling System Retrofits**

Recommendation

Authorize the Executive Director to negotiate final contract terms and conditions and execute a contract in the amount of One Million Two Hundred Ninety Six Thousand Seven Hundred and Five Dollars (\$1,296,705.00) with Diversified Services for Electric Cooling System Retrofits on 75 Foothill Transit buses.

Background

The current Foothill Transit standard is electric fan drive systems on new bus procurements. The 75 NABI buses purchased in 2004 on which the electric cooling system retrofits will be performed have many years of useful life within the fleet and this retrofit would increase reliability, reduce maintenance costs and increase fuel economy and above reduce the threat of fires in the engine compartment. New systems have a unique feature which assists in keeping the radiator free from debris which can also reduce the frequency of roadcalls.

On November 12, 2011, the Executive Board authorized the Executive Director to issue an Invitation for Bids (IFB) for Electric Cooling System Retrofits. IFB No. 11-030 was issued on February 15, 2011. The IFB was advertised in two local newspapers, posted on Foothill Transit's website, and sent directly to six firms.

Bids were received on March 10, 2011 from two firms. All bid packages were thoroughly reviewed to determine responsiveness to the requirements stated in the IFB and professional references were checked for the lowest bidder. Diversified Services was determined to be the lowest responsive and responsible bidder. Bid amounts are presented below.

Bidder		Amount of Bid
1.	Diversified Services	\$1,286,325.00
2.	Complete Coach Works	\$1,601,640.75

The bid amount submitted by Diversified Services was calculated using a sales tax rate of 8.75 percent. The recommended contract amount reflects the Los Angeles County sales tax rate of 9.75 percent. Correction of such mathematical errors is allowed under Foothill Transit's Procurement Policies and Procedures, Chapter III (O).

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Although bids were received and evaluated in March, award of the contract needed to await the completion of the U.S. Department of Labor (DOL) certification of Foothill Transit's grant application. Clearance by the DOL was received on July 11, 2011.

Diversified Services, Inc. specializes in complete repairs on transit buses, Class 8 and refuse disposal trucks. Diversified Services' customer base spans all of Southern California and includes public transit agencies, municipalities and private firms. Diversified Services has been in business since 1980. They have completed projects for OCTA, LACMTA, Santa Monica Big Blue Bus, and L.A. County.

Fiscal Impact

Funding in the amount of \$1,125,000 has been made available under a grant from the Federal Transit Administration's (FTA's) State of Good Repair Grant Program. Foothill Transit will provide local matching funds in the amount of \$281,250.

Sincerely,



George Karbowski
Director of Operations and Maintenance



Doran J. Barnes
Executive Director